

AGENDA

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

California State University
Office of the Chancellor
401 Golden Shore
Long Beach, California

September 26, 2001--9:00 a.m.

Presiding: Laurence K. Gould, Jr., Chair

Call To Order and Roll Call

Chair's Report

Chancellor's Report

Approval of Minutes of Board of Trustees Meeting of July 11, 2001

Board Items: *Chair—Laurence K. Gould, Jr.*

Consent:

1. Amend the 2001/02 Capital Outlay Program, Nonstate Funded, *Action*
(published as Item 1, CPB&G Sept 11-12, 2001)
2. Amend the 2001/02 Capital Outlay Program, State Funded, *Action*
(published as Item 2, CPB&G Sept 11-12, 2001)

Discussion Items:

3. State and Nonstate Funded Five-Year Capital Improvement Program 2002/03 through 2006/07, *Action*
(published as Item 4 CPB&G, Sept. 11-12, 2001)
4. Approval of Schematic Plans, *Action*
(published as Item 5, CPB&G, Sept. 11-12, 2001)
5. Acceptance of Gift of Real Property for the Proposed San Diego State University, Imperial Valley Off-Campus Center at Brawley, *Action*
(published as Item 1 of Ad Hoc Committee, Sept. 11-12, 2001)
6. Status Report on the 2002/2003 Support Budget and Recommended Lottery Revenue Budget, *Information*
(published as Item 2, Fin., September 11-12, 2001)

7. Approval to Issue Debt Instruments Including by Bonds of the California State University, Sacramento, Parking Revenue Bond System for Parking Structure II at California State University, Sacramento, and Related Matters, *Action*
(published as Item 4, Fin., Sept. 11-12, 2001)
8. Approval to Issue Debt Instruments including Revenue Bonds for the Sonoma State Student Union Recreation Center, and Related Matters, *Action*
(published as Item 5, Fin., Sept. 11-12, 2001)
9. Approval to Issue Debt Instruments Including by Bonds of the California State University Housing Revenue Bond System For an Apartment Complex (Phase II) at California State University, San Bernardino, and Related Matters, *Action*
(published as Item 6, Fin., Sept. 11-12, 2001)

Old Business

New Business

Public Comments

Adjournment

**MINUTES OF THE MEETING OF
BOARD OF TRUSTEES**

**Trustees of the California State University
Office of the Chancellor
Glenn S. Dumke Conference Center
401 Golden Shore
Long Beach, California**

July 11, 2001

Trustees Present

Laurence K. Gould Jr., Chair
William D. Campbell
Daniel Cartwright
Martha C. Fallgatter
Debra S. Farar
Murray L. Galinson
Harold Goldwhite
William Hauck
Shailesh J. Mehta
Ralph Pesqueira
Frederick W. Pierce IV
Charles B. Reed, Chancellor
Kyriakos Tsakopoulos
Anthony Vitti
Stanley T. Wang

Trustees Absent

Cruz Bustamante, Lt. Governor
Gray Davis, Governor
Delaine Eastin, Superintendent of Public Education
Robert Hertzberg, Speaker of the Assembly
Roberta Achtenberg
Robert Foster
Dee Dee Myers

Chancellor's Office Staff

Christine Helwick, General Counsel
Jackie R. McClain, Vice Chancellor, Human Resources
Louis Caldera, Vice Chancellor, University Advancement
David S. Spence, Executive Vice Chancellor and Chief Academic Officer
Richard West, Executive Vice Chancellor and Chief Financial Officer

Chair Gould called the meeting to order at 8:47 a.m.

Chair's Report

Chair Gould announced that Trustees Hauck and Tsakopoulos had appeared before the senate rules committee and that both had received unanimous endorsement from the rules committee for confirmation. He further stated that the Board was looking forward to their full confirmation by the state senate in the near future. Chair Gould also announced and welcomed the senior student trustee, Dan Cartwright who is now a full voting member of the board of trustees.

Chair Gould welcomed the two newest presidents and the new systemwide vice chancellor of University Advancement, Dr. Bill Eisenhardt, President of the California Maritime Academy and Dr. Dick Rush, President of the CSU Channel Islands, Mr. Louis Caldera, vice-chancellor of University Advancement.

Chair Gould congratulated Chancellor Reed on his receiving the Lamar Plunket award from the Southern Regional Education Board.

Chair Gould stated that Trustee Harold Goldwhite and Trustee Emeritus Bernie Goldstein had joined him at the annual conference of the Institute of Teaching and Learning that was held at Cal-Poly San Luis Obispo at the end of June. The Chair further stated that the Institute for Teaching and Learning is one more example of how the faculty is keeping on the cutting edge of their profession.

Chair Gould reported his approval of the 2001/2002 operating budget for the State University house. He indicated to the trustees that the \$68,465.00 budget was approved for revisions, supplies, services, insurance, and utilities. He further noted that funding for the state house is non-state money derived from the proceeds of the sale of the previous State University House in Bel Air.

Trustee Gould thanked all the trustees for attending graduations at all the various campuses. He stated that trustees were present at all of our 4-year campuses and at some of our off campus center graduations as well.

Trustee Gould announced that the California State Student Association had elected Robert Garcia as the new President of the CSSA and that Jackie Kegley was re-elected as chair of the Academic Senate.

Trustee Gould also asked that the trustees mark their calendars for the Academic Senate conference that will be held in San Diego on Wednesday through Friday, November 28-30.

Chair Gould introduced Wayne Adelstein, an alumnus of California State University, Northridge, as the new President of the Alumni Council.

That concludes my report.

Chancellor's Report

Chancellor Reed recognized several outstanding past CSU leaders: Jerry Aspland; Handel Evans Ali Razi; Neel Murarka; Larry Adamson; Shaun Lumachi, Chuck Lindahl. The chancellor thanked them again for their service to the California State University.

Chancellor Reed introduced the three newest CSU leaders: Bill Eisenhardt, president of the California Maritime Academy; Dick Rush, president of CSU Channel Islands; Louis Caldera, CSU vice chancellor for advancement.

The chancellor asked Jacquelyn Kegley to introduce the newly elected Executive Committee of the Academic Senate.

Chancellor Reed thanked trustees for attending all of the CSU commencement ceremonies. He noted that this was a successful academic year in which the CSU graduated more than 70,000 students.

Chancellor Reed reported that the CSU had reached agreement with Enron to provide for a two-year extension of the direct access contract. As part of the agreement, the lawsuit against Enron will be dismissed without prejudice and they will dismiss their appeal without prejudice.

Chancellor Reed also reported that two community groups filed lawsuits against the Board of Trustees on the CSU Dominguez Hills sports complex. The lawsuits claim that the environmental impact reports are inaccurate. He stated that this situation would be monitored closely.

Chancellor Reed invited Ali Razi and Chair Gould to join him at the podium to award winners of the 2001 Hearst/CSU Trustees' Award for Outstanding Achievement. This award provides scholarships to CSU students who demonstrate financial need, superior academic achievement, and a commitment to community service. These students also have overcome significant personal challenges. Awards were handed out to the following students: Daniel Cacho, a graduate student of CSU Sacramento; Patricia Cotter, a junior at Chico State; Theresa Devins, a junior at CSU Stanislaus; Jessica Flynn, a senior at Cal State San Bernardino; Terese Ann Howard, a graduate student at San Jose State; Julie D.R.L. Meyer, a senior at Sonoma State. Chancellor congratulated the award winners.

Report of the CSU Alumni Council

Wayne Adelstein, president, reported for the Alumni Council

Report from the California State Student Association

Robert Garcia, chair, reported for the CSSA.

Report from the California Postsecondary Education Commission

Trustee Campbell referred the trustees to the report contained in their packets.

Approval of Minutes

The minutes of the meetings of the Board of Trustees' of May 16, 2001 and June 4, 2001 were approved as submitted.

Board of Trustees

Chair Gould reported the board had five action items for consideration.

Conferral of the Title Trustee Emeritus (RBOT 07-01-05)

Chair Gould moved the item; there was a second.

The Board of Trustees approved the following resolution:

WHEREAS, Ali C. Razi was appointed to the Board of Trustees of the California State University by Governor Pete Wilson in 1996, and since that time has served in an exemplary fashion as a member of the Board; and

WHEREAS, He has served actively and passionately as a member of the Board, providing strong leadership of the Committee on Campus Planning, Buildings and Grounds as well as serving as chair of the Committee on Institutional Advancement, where he led by example, providing personal funding for the Trustees Scholarship program which targets the most needing and deserving students in the university; and

WHEREAS, He is continuing his productive association with the CSU by serving as a member of the California State University Foundation Board of Governors, where he will contribute his time, talents and vision to the further betterment of the university community; and

WHEREAS, It is altogether appropriate that the California State University recognize those members who have made outstanding contributions to this system of higher education; now, therefore, be it

RESOLVED, By the Board of Trustees of the California State University, that this board confer the title of Trustee Emeritus on Ali C. Razi, with all the rights and privileges thereto.

Conferral of the Title Student Trustee Emeritus (RBOT 07-01-06)

Trustee Cartwright moved the item; there was a second.

The Board of Trustees approved the following resolution:

WHEREAS, Neel “Bubba” Murarka, having been selected by his peers, was appointed to the Board of Trustees of the California State University by Governor Gray Davis in 2000, and since that time has served in a notable fashion as a member of the Board; and

WHEREAS, He has been an active voice for the more than a third of a million students attending the California State University, offering an invaluable perspective to the deliberations of the Board of Trustees in a range of matters; and

WHEREAS, He has also through his service on the Board made a personal contribution to the advancement of education in California; and

WHEREAS, It is altogether fitting that the California State University recognize those members who have made signal contributions to this system of higher education; now, therefore, be it

RESOLVED, By the Board of Trustees of the California State University, that this board confer the title of Student Trustee Emeritus on Neel “Bubba” Murarka, with all the rights and privileges thereto.

Conferral of the Title President Emeritus (RBOT 07-01-07)

Chair Gould moved the item; there was a second.

The Board of Trustees approved the following resolution:

WHEREAS, Jerry A. Aspland was named in 1996 to the presidency of the California Maritime Academy, the institution from which he graduated in 1962, beginning a second career as an educational leader after his success as a business leader in the maritime industry; and

WHEREAS, During the five years of his tenure, his leadership has provided numerous advances for Cal Maritime, including the near doubling of its enrollment, the improvement of a host of training facilities, including a new state-of-the-art laboratory, and the introduction of a second summer training cruise which greatly expanded student opportunities for hands-on learning; and

WHEREAS, He has also worked tirelessly to create further cooperative ties with the other members of the California State University community, as well as helping to earn expanded accreditation approval for its educational

programs, thus raising the profile and increasing the esteem with which this venerable institution is held; and

WHEREAS, It is altogether fitting that the California State University recognize those members who have made valuable contributions to this system of higher education; now, therefore, be it

RESOLVED, By the Board of Trustees of the California State University, that this board confer the title of President Emeritus on Jerry A. Aspland, with all the rights and privileges thereto.

Conferral of the Title President Emeritus (RBOT 07-01-08)

Chair Gould moved the item; there was a second.

The Board of Trustees approved the following resolution:

WHEREAS, J. Handel Evans has served as the planning president of the fledgling university at Channel Islands since 1996, following three decades of remarkable service and leadership at the campuses of the California State University; and

WHEREAS, During his five-year tenure, he has helped lay the academic, physical, and community groundwork for the new university, overseeing the conversion of Camarillo State Hospital into a functioning academic institution, turning a long-held vision into a concrete reality; and

WHEREAS, He has gained the respect and solid support of his community, spreading recognition of the ever-increasing value of Ventura's first public university; winning friends, and attracting extraordinary contributions, including a major endowment for scholarships as well as funding for a new library, which will be designed by a world-renown architect; and

WHEREAS, It is altogether fitting that the California State University recognize those members who have made fundamental and historic contributions to this system of higher education; now, therefore, be it

RESOLVED, By the Board of Trustees of the California State University, that this board confer the title of President Emeritus on J. Handel Evans, with all the rights and privileges thereto.

Conferral of the Title Associate Vice Chancellor Emeritus (RBOT 07-01-09)

Chair Gould moved the item; there was a second.

The Board of Trustees approved the following resolution:

WHEREAS, Charles W. Lindahl joined the California State University in 1964 at California State University, Northridge and served CSUN for eight years; and

WHEREAS, Charles W. Lindahl joined the Office of the Chancellor in 1972 as Associate Dean and subsequently served for a total of 29 years as Deputy Dean, Dean, Assistant Vice Chancellor, and Associate Vice Chancellor; and

WHEREAS, Charles W. Lindahl served as Interim Senior Vice Chancellor of Academic Affairs for almost two years 1996 to 1998; and

WHEREAS, during his tenure CSU strengthened its admission standards and enrollment management policies; and

WHEREAS, throughout Dr. Lindahl's career he has advanced the CSU's commitment to educational equity; and

WHEREAS, Dr. Lindahl helped improve and expand teacher education and provided the leadership for the development of CSU's innovative teacher education program, CalStateTEACH; and

WHEREAS, Charles W. Lindahl has represented the CSU system in a number of leadership positions related to the coordination and advancement of intersegmental relations; and

WHEREAS, Dr. Lindahl was a key member of the Cornerstones strategic planning group and served as the central coordinator of the project; and

WHEREAS, It is altogether fitting that the California State University recognize those members who have made fundamental and historic contributions to this system of higher education; now, therefore, be it

RESOLVED, By the Board of Trustees of The California State University, that this board confer the title of Associate Vice Chancellor Emeritus, Academic Affairs, on Charles W. Lindahl, with all the rights and privileges thereto.

Report of Committees

Committee on Educational Policy

Trustee Farar reported the committee heard one information item and three action items. The information item was on the Notable Accomplishments in CSU teaching, research, and scholarships: MERLOT.

Proposed Revision of Title 5 Regulations-Summer Early Entrants (REP 07-01-02)

Trustee Farar moved the item; there was a second.

Chair Gould stated that because this resolution proposes a change in Title 5 Regulations a public hearing must be held. He asked for public comment on the proposed changes in the regulations.

Hearing none the public hearing was closed.

The Board of Trustees approved the following resolution:

RESOLVED, by the Board of Trustees of The California State University, acting under the authority prescribed herein and pursuant to Section 89030.1 of the Education Code, that the board hereby amends its regulations in Article 3 of Subchapter 3 of Chapter 1, Division 5 of Title 5 of the California Code of Regulations as follows:

§40700. Matriculation.

Any student enrolling in any ~~semester or quarter~~ term, other than ~~summer session or~~ extension or as an auditor without credit, shall meet the standards for admission outlined in this subchapter.

NOTE: Authority cited: Sections ~~66600~~, 89030 and ~~89035~~, Education Code. Reference: Sections ~~66600~~ and 89030, Education Code.

§40701. Summer Early Entrant.

Any student admitted to a fall term may be enrolled in the immediately preceding summer term as a summer early entrant. Summer early entrant students will be regarded as matriculated when they enroll in the fall term for which they have been formally admitted.

NOTE: Authority cited: Section 89030, Education Code. Reference: Section 89030, Education Code.

And, be it further

RESOLVED, That the Board of Trustees has determined that the adoption of the proposed revision will not impose a cost or savings on any state agency; will not impose a cost or savings on any local agency or school

district that is required to be reimbursed under Section 17561 of the Government Code; will not result in any cost or savings in federal funding to the state; and will not impose a mandate on local agencies or school districts; and, be it further

RESOLVED, That the Board of Trustees delegates to the chancellor of the California State University authority to further adopt, amend, or repeal this revision if the further adoption, amendment, or repeal is required and is nonsubstantial or solely grammatical in nature, or sufficiently related to the original text that the public was adequately placed on notice that the change could result from the originally proposed regulatory action.

Alcohol Policies and Prevention Programs Committee Final Report (REP 07-01-03)

Prior to calling for the motion Trustee Farar called on Jacqueline Kegley, Chair of the Academic Senate.

On behalf of the faculty and the Academic Senate, Chair Kegley expressed appreciation to Chancellor Reed for his leadership in addressing this issue. She further stated that the senate would like to commend President Welty and the committee for a very fine report and that the faculty has pledged to work with them. She also commended the Board for officially recognized student voice.

Trustee Farar moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the 23 campuses adopt and implement the recommendations of the Alcohol Policies and Prevention Programs Committee Final Report in Agenda Item 3 of the July 10-11, 2001, meeting of the Trustees' Committee on Educational Policy consistent with their individual campus missions, and that a report be made to the board every two years assessing the outcomes of their programs; and that the Chancellor report at that time on the success of obtaining external funding for system and campus programs.

Student Participation in Policy Development (REP 07-01-04)

Prior to the motion, Trustee Farar turned the floor over to Trustee Cartwright. Trustee Cartwright commended everyone involved in the development of the student participation policy. He thanked the faculty for their assistance and support on this matter.

Trustee Farar moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, by the Board of Trustees of the California State University, that the Student Participation in Policy Development statement developed by the California State University Advisory Committee on Student Participation in Policy Development in Agenda Item 4 of the July 10-11, 2001, meeting of the Trustees' Committee on Educational Policy be approved.

Committee on Finance

Trustee Hauck reported the committee heard two information items. Item one was a status report on the 2001/2002 Support Budget and item three was an update on the Auxiliary Organization Tax Exempt Financing at California State University Los Angeles. The Committee also had one action item.

Selection of Investment Manager and Advisor (RFIN 07-01-13)

Trustee Hauck moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the trustees approve the selection of Metropolitan West Securities as the University's Investment Manager and Advisor for the next three years with optional renewal for additional term(s) based upon acceptable contractor performance.

Committee on Campus Planning, Buildings and Grounds

Trustee Wang reported the committee heard three information items as follows: California Environmental Quality Act Annual Report; Status Report on the 2001/02 State Funded Capital Outlay Program; Progress Report on California State University Capital Outlay Projects. The Committee also considered four action items.

Amend the 2001/02 Capital Outlay Program, Nonstate Funded (RCPBG 07-01-11)

Trustee Wang moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the 2001/02 Nonstate Funded Capital Outlay Program be amended to include: \$992,000 for preliminary plans, working drawings, and construction for the California State University, Long Beach, University Office Building; and \$14,000,000 for preliminary plans, working drawings,

and construction for the California State University, Northridge, Parking Structure I; and \$1,700,000 for preliminary plans, working drawings, construction and equipment for the San Diego State University, Renovate Cox Arena and Aztec Recreation Center; and \$14,114,000 for preliminary plans, working drawings, construction and equipment for the Sonoma State University, Recreation Center Building.

Revised California State University Policy on Energy Conservation and Utilities Management and Energy Consumption Reduction Goal for 2004/2005 Compared to 1999/2000 (RCPBG 07-01-12)

Trustee Wang moved the item; there was a second.

The Board of Trustees approved the following resolution:

WHEREAS, The Board of Trustees of The California State University has historically supported an aggressive CSU energy conservation and utilities management policy and program; and

WHEREAS, CSU campuses have performed admirably in conserving energy resources by reducing their energy consumption by 33% by 1999/2000 compared to base year consumption recorded in 1973/74, thereby avoiding an estimated utilities expenditures of \$350 million; and

WHEREAS, Energy costs in California are projected to increase significantly in the next decade and such increases are estimated to take a greater percentage of the CSU's operating budget, reducing available funds for other essential academic needs and services; and

WHEREAS, Proven opportunities and measures for additional energy conservation and utilities management are available to significantly reduce these costs by instituting and reaffirming sound energy management practices; now, therefore, be it

RESOLVED, By the Board of Trustees of The California State University, that a goal of 15% reduction in energy consumption is hereby established for 2004/2005 compared to 1999/2000 measured in British Thermal Units per Gross Square Foot of building space per year; and be in further

RESOLVED, That the revised CSU Policy on Energy Conservation and Utilities Management in Agenda Item 5 of the July 10-11, 2001 meeting

of the Trustees' Committee on Campus Planning, Buildings and Grounds is adopted; and be it further

RESOLVED, That the chancellor or his designee is authorized to take the necessary steps to implement the intent of this policy.

Categories and Criteria for the State Funded Five-Year Capital Improvement Program, 2003/04-2007/08 (RCPBG 07-01-13)

Trustee Wang moved the item; there was a second.
The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that: The Categories and Criteria for the 2003/04-2007/08 State Funded Five-Year Capital Improvement Program in Attachment A of Agenda Item 6 of the July 10-11, 2001 meeting of the trustees' Committee on Campus Planning, Buildings and Grounds be approved; and

The chancellor is directed to use these categories and criteria to prepare the CSU State Funded Five-Year Capital Improvement Program. If this results in an "action year" (2003/04) request beyond reasonable expectation of available funding, the chancellor is delegated authority to adjust the number of campus projects submitted.

Approval of Schematic Plans (RCPBG 07-01-14)

Prior to moving the resolution Trustee Wang turned the floor over to Trustee Fallgatter. Trustee Fallgatter stated to Chancellor Reed that she along with several of her colleagues feel strongly that the ambiance and the integrity of the California mission architecture at Channel Islands be maintained. Trustee Fallgatter asked that the Chancellor personally stay on top of this project and to take her comments into consideration with the oversight of the library project and any future projects at the Channel Islands campus.

Trustee Wang moved the item; there was a second.

The Board of Trustees approved the following resolution:

**1. CSU Channel Islands, John Spoor Broome Library (Information Resources Center)
Project Architect: Leo A. Daly and the Design Architecture Foster and Partners**

RESOLVED, By the Board of Trustees of The California State University, that:

1. The board finds that the Final Supplemental EIR (SEIR) for the California State University, Channel Islands, certified by the CSUCI Site Authority, was prepared to include the John Spoor Broome Library project pursuant to the requirements of the California Environmental Quality Act.
2. The project does not propose substantial changes in the original project, which would require revision of the Campus Master Plan SEIR.
3. The project will not be built under substantial changes in the circumstances under which the project Master Plan Program EIR was certified.
4. No new information of substantial importance shows that the project will have one or more significant effects not discussed in the previous Master Plan Program EIR and SEIR.
5. The SEIR was prepared to specifically include the Master Plan for CSUCI development and has been considered as an important part of the planning process.
6. This board hereby concurs with the findings of fact in Attachment A and related mitigation measures in Attachment B of the June 5, 2000, action of the Authority which certified the SEIR, that the proposed project will reduce most of the potential significant effects on the environment to less than significant.
7. The findings in Attachment A and the related mitigation measures in Attachment B of the June 5, 2000, action of the Authority which certified the SEIR are incorporated by reference and concurred with by this board, include findings of specific overriding considerations which outweigh the identified remaining significant impacts.
8. Air quality, agricultural, historical and biological resource impacts will remain significant and unavoidable for which the CSUCI Site Authority, as Lead Agency, has made the required findings of Overriding Considerations.
9. No additional mitigation measures are necessary.
10. The project will benefit The California State University.

11. The previously approved mitigation measures shall be monitored and reported in accordance with the plan approved by the Site Authority as Attachment D, Agenda Item 6, of the June 5, 2000, meeting of the Channel Islands Site Authority, which meets the requirements of the California Environmental Quality Act (Public Resources Code, Section 21081.6).
12. The chancellor is requested under Delegation of Authority by the Board of Trustees to file the Notice of Determination for the project.
13. The schematic plans for the California State University, Channel Islands, John Spoor Broome Library are approved at a project cost of \$42,712,000 at CCCI 4019.

2. California State University, Los Angeles, Intimate Theater

RESOLVED, By the Board of Trustees of the California State University, that:

1. The Board finds that the Categorical Exemption for the California State University, Los Angeles, Intimate Theatre project has been prepared in accordance with the requirements of the California Environmental Quality Act.
2. The proposed project will not have a significant effect on the environment, and the project will benefit The California State University.
3. The schematic plans for the California State University, Los Angeles, Intimate Theatre are approved at a project cost of \$2,500,000 at CCCI 4019.

3. California State University, Northridge, Sierra Center

RESOLVED, By the Board of Trustees of The California State University, that:

1. The board finds that the Categorical Exemption for the California State University, Northridge, Sierra Center has been prepared in accordance with the requirements of the California Environmental Quality Act.
2. The proposed project will not have a significant effect on the environment; and the project will benefit The California State University.

3. The schematic plans for the California State University, Northridge, Sierra Center are approved at a project cost of \$7,858,000 at CCCI 3909.

4. California State University, Northridge, University Student Union Renovation

RESOLVED, By the Board of Trustees of The California State University, that:

1. The board finds that the Categorical Exemption for the California State University, Northridge, University Student Union Renovation project has been prepared in accordance with the requirements of the California Environmental Quality Act.
2. The proposed project will not have a significant effect on the environment; and the project will benefit The California State University.
3. The schematic plans for the California State University, Northridge, University, Student Union Renovation project are approved at a project cost of \$14,001,000 at CCCI 4019.

5. California State Polytechnic University, Pomona, Student Housing Phase I

RESOLVED, By the Board of Trustees of The California State University, that:

1. The board finds that the Negative Declaration for the California State Polytechnic University, Pomona, Student Housing Phase I project has been prepared pursuant to the requirements of the California Environmental Quality Act.
2. The proposed project will not have a significant effect on the environment, and the project will benefit The California State University.
3. The chancellor is requested under Delegation of Authority granted by the Board of Trustees to file the Notice of Determination for the project.

4. The schematic plans for the California State Polytechnic University, Pomona, Student Housing Phase I project are approved at a project cost of \$28,905,000 at CCCI 3909.

6. California State University, Sacramento, Modoc Hall

RESOLVED, By the Board of Trustees of The California State University that:

1. The board finds that the Negative Declaration for the California State University, Sacramento, Modoc Hall has been prepared pursuant to the requirements of the California Environmental Quality Act.
2. The proposed project will not have a significant effect on the environment, and the project will benefit The California State University.
3. The chancellor is requested under Delegation of Authority by the Board of Trustees to file the Notice of Determination for the project.
4. The schematic plans for the California State University, Sacramento, Modoc Hall are approved at a project cost of \$19,343,000 at CCCI 3909.

8. California State University, San Bernardino, Student Housing Expansion, Phase II

RESOLVED, By the Board of Trustees of The California State University, that:

1. The Board finds that the Final EIR for the California State University, San Bernardino Master Plan Revision certified on January 27, 1999, was prepared to include the Student Housing Expansion, Phase II project pursuant to the requirements of the California Environmental Quality Act.
2. Based on the information contained in the approved Final EIR and the mitigation measures identified therein and previously adopted, the proposed project will reduce most noise impacts on the environment to a less-than-significant effect.
3. Air quality, noise, traffic, and circulation impacts identified in the Final EIR will remain significant and unavoidable for which the Board of Trustees has made the required findings of Overriding Considerations.

4. An addendum to the Final EIR confirmed that no new adverse impacts would result from the construction of the Student Housing Expansion, Phase II project.
5. No additional mitigation measures are necessary; and the project will benefit The California State University.
6. The previously approved mitigation measures shall be monitored and reported in accordance with the plan approved by the Board of Trustees as Attachment D, Agenda Item 3, of the January 26-27, 1999, meeting of the Committee on Campus Planning, Buildings and Grounds, which meets the requirements of the California Environmental Quality Act (Public Resources Code, Section 21081.6); and
7. The chancellor is requested under the Delegation of Authority by the Board of Trustees to file the Notice of Determination for the project, and
8. The schematic plans for the California State University, San Bernardino, Student Housing Expansion, Phase II project are approved at a project cost of \$16,732,000 CCCI 4019.

Committee on Audit

Trustee Mehta reported the committee heard one discussion item, a status report on current and follow-up internal audit assignments.

Committee on Governmental Relations

Trustee Fallgatter reported the committee heard one action item.

2001-2002 Legislative Report No. 4 (RGR 07-01-05)

Trustee Fallgatter moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the 2001-02 Legislative Report No. 4 is adopted.

Committee on Collective Bargaining

Trustee Pesqueira reported the committee ratified new three-year contracts with the Statewide University Police Association and the Union of American Physicians and Dentists. It was also reported to the committee that the CSU has reached a tentative agreement with the International Union of Operating Engineers for a new three-year contract.

Committee on Institutional Advancement

Trustee Pierce reported the committee heard one information item consisting of an update on university advancement activities in particular a status report of CSU's efforts towards the development of a systemwide communications plan and two action items.

Naming of Academic Program—California State University, Long Beach (RIA 07-01-09)

Trustee Pierce moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that the Italian Studies program at California State University, Long Beach be designated the George L. Graziadio Center for Italian Studies.

Naming of Facility – California Polytechnic State University, San Luis Obispo (RIA 07-01-10)

Trustee Pierce moved the item; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of the California State University, that Building 20A at California Polytechnic State University, San Luis Obispo be named the Bert and Candace Forbes Center for Engineering Excellence.

Communications and Correspondence

Old Business

New Business

Public Comments

The board heard comments from Dr. Charles Goetzl, president, Academic Professionals of California; Ms. Pauline Robinson, CSU Division of California State Employees Association; Gwen Hooker Patrick, vice president, California State Employees Association, San Diego State University; and Dr. Susan Meisenhelder president, California Faculty Association.

Chair Gould also called the name of Michael Okereke who was not present.

The meeting adjourned at 10:00 a.m.

BOARD OF TRUSTEES

Amend the 2001/02 Capital Outlay Program, Nonstate Funded

Presentation By

J. Patrick Drohan
Assistant Vice Chancellor
Capital Planning, Design and Construction

Summary

This agenda item requests approval to amend the 2001/02 nonstate funded capital outlay program to include the following projects:

- | | | |
|---|------------|-------------------|
| 1. San Francisco State University | | |
| Psychology Building Fifth Floor Addition | PWC | \$ 970,000 |

San Francisco State University wishes to proceed with the design and construction of an addition to the psychology building. The National Institute of Health awarded the university a grant for the construction of a fifth floor addition to the psychology building in 1966. However, due to funding limitations, the project was reduced in size resulting in a partial addition totaling 7,439 gross square feet (GSF). This proposed addition provides 5,000 GSF for faculty research and grants and contract programs to support university efforts in attracting junior faculty. The project will allow grant-sponsored research activities to be conducted on-campus in lieu of leasing off-campus space. Research and private foundation grants will fund the project.

- | | | |
|--|-------------|---------------------|
| 2. Sonoma State University | | |
| Student Housing, Phase I (655 beds) | PWCE | \$33,203,000 |

Sonoma State University wishes to proceed with the design and construction of an expansion of campus student housing. This proposed 655-bed student housing project is the first phase of a future housing complex in the southeast corner of the campus on the approved campus master plan site. The total complex will accommodate 1,350 students. Phase I contains 161 four-bedroom apartments with private baths, full kitchens, dining and living rooms, one apartment and ten studio apartments. These will be single occupancy bedrooms for a total of 655 beds. Phase I also includes a swimming pool, laundry and retail/student gathering space, 350 parking spaces, and road modifications to the southeastern campus entrance. The apartments will be three-story wood frame buildings with exterior staircases. The proposed project was presented to the California State University Housing Proposal Review Committee on July 11, 2001. Schematic

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plans for Phase I are also being presented at this meeting. Project financing will be through the issuance of Dormitory Revenue Fund Housing Bonds. A request for approval of financing will be presented to the Board of Trustees at the November 2001 meeting.

Action

The following resolution is presented for approval:

RESOLVED, By the Board of Trustees of the California State University, that the 2001/02 Nonstate Funded Capital Outlay Program be amended to include: \$970,000 for preliminary plans, working drawings and construction for the San Francisco State University, Psychology Building Fifth Floor Addition, and \$33,203,000 for preliminary plans, working drawings, construction and equipment for the Sonoma State University, Student Housing, Phase I project.

BOARD OF TRUSTEES

Amend the 2001/02 Capital Outlay Program, State Funded

Presentation By

J. Patrick Drohan
Assistant Vice Chancellor
Capital Planning, Design and Construction

Summary

This agenda item requests approval to amend the 2001/02 state funded capital outlay program to include the following project:

California State University, Sacramento		
Thermal Energy Storage Expansion Project	PWC	\$1,255,000

California State University, Sacramento wishes to proceed with the design and construction of the thermal energy storage expansion project. The proposed project will increase the size and capacity of the existing TES tank from approximately 1 million to 1.5 million gallons. The expanded tank will increase the facility height from 50 feet to approximately 74 feet while the existing footprint remains the same. The current TES system does not meet the campus' cooling needs and future campus growth will further exacerbate the problem. The optimum operational plan to charge the tank is to run the chillers at night when energy costs and electrical demand are the lowest and then utilize the TES chilled water to cool campus buildings the following day. This operation parameter cannot be met many times during the year without expanding the existing TES system. Implementation of the tank expansion project will create an annual savings of \$76,000 by reducing the local utility district's facility charges (\$40,000) and using off peak energy to cool campus facilities (\$36,000). A loan from the campus trust funds will finance the project. The debt will be repaid through cost avoidance and redirected funds from recently retired loans on two completed energy projects.

Action

The following resolution is presented for approval:

RESOLVED, By the Board of Trustees of the California State University, that the 2001/02 State Funded Capital Outlay Program be amended to include \$1,255,000 for preliminary plans, working drawings and construction for the California State University, Sacramento, Thermal Energy Storage Expansion Project.

BOARD OF TRUSTEES

State and Nonstate Funded Five-Year Capital Improvement Program 2002/03 through 2006/07

Presentation By

J. Patrick Drohan
Assistant Vice Chancellor
Capital Planning, Design and Construction

Summary

This item requests approval of the 2002/03-2006/07 state and nonstate funded five-year capital improvement program.

Background

The Board of Trustees approved the Preliminary State and Nonstate Funded Five-Year Capital Improvement Program 2002/03 through 2006/07 at the March 2001 meeting. Staff was directed to return to the board for final approval of the five-year program, including the 2002/03-action year, no later than the November 2001 meeting. A handout of the projects will be provided at the meeting.

Action

The following resolution is presented for approval:

RESOLVED, By the Board of Trustees of the California State University, that:

1. The Final State and Nonstate Funded Five-Year Capital Improvement Program 2002/03 through 2006/07 totaling \$3,639,601,000 and \$1,687,373,000 respectively are approved.
2. The 2002/03 State Funded Capital Outlay Program identified in Attachment A of Agenda Item 4 as distributed at the September 11-12, 2001 meeting of the trustees' Committee on Campus Planning, Buildings and Grounds is approved at \$461,872,000.

3. The 2002/03 Nonstate Funded Capital Outlay Program in Attachment B of Agenda Item 4 as distributed at the September 11-12, 2001 meeting of the trustees' Committee on Campus Planning, Buildings and Grounds is approved at \$153,986,000, and the chancellor is authorized to proceed in 2001/02 with design documents for fast-track projects in the 2002/03 nonstate program.
4. The chancellor is requested to explore all reasonable funding methods available and communicate to the governor and the legislature the need to provide funds for the CSU state funded plan in order to develop the facilities necessary to serve all eligible students.
5. The chancellor is authorized to make adjustments, as necessary, including priority sequence, scope, phase, project cost and total budget request for the 2002/03 State Funded Capital Outlay Program within the \$461,872,000.

The California State University Capital Outlay Program 2002/03

State and Nonstate Funded



**Capital
Improvement
Program**
2002/03 to 2006/07

Rank Order Of State Funded Capital Outlay Program 2002/03 Priority List

Cost Estimates are at Engineering News-Record California Building Construction Cost Index 4019 and Equipment Price Index 2564

Rank Order	Trustees' Priority by Category*	Campus	Project Title	FTE	Phase	Dollars	Funds to Complete	Cumulative Cost
1	EF1	Statewide	Minor Capital Outlay Program	-	PWC	18,000,000	-	18,000,000
2	EF2	Stanislaus	Seismic Upgrade, Drama Ceiling	-	PWC	675,000	-	18,675,000
3	EF3	Fullerton	Life Safety Modifications Campuswide	-	PWC	9,649,000	-	28,324,000
4	EF4	San Francisco	Renovate Hensill Hall (Seismic)	-	E	225,000	-	28,549,000
5	EF5	Long Beach	Peterson Hall Addition (Equipment)	233	E	3,782,000	-	32,331,000
6	EF6	Los Angeles	Remodel Music Building	-21	E	795,000	-	33,126,000
7	EF7	San Diego	Chem/Geo/Business Adm. Math Bldgs. Reno.	795	E	3,805,000	-	36,931,000
8	EF8	San Luis Obispo	Engineering/Architecture Reno. & Replace., Ph. I	91	E	2,430,000	-	39,361,000
9	EF9	Maritime Academy	Engineering Building Renovation/Addition	234	E	1,037,000	-	40,398,000
10	NF1	San Jose	Joint Library ◇	0	E	8,095,000	-	48,493,000
11	NF2	Dominguez Hills	Technology Center, Health & Admin. Services Bldg.	1,129	E	3,802,000	-	52,295,000
12	NF3	Chico	Education Classroom/Faculty Office Addition (Ph. I)	252	E	678,000	-	52,973,000
13	NF4	Channel Islands	Science Lab Building	323	E	1,262,000	-	54,235,000
14	NF5	Fullerton	Physical Education Addition/Renovation	581	E	987,000	-	55,222,000
15	NF6	San Marcos	Library Information Center ◇	550	E	7,431,000	-	62,653,000
16	EF9	Bakersfield	Telecommunications Infrastructure	-	C	5,336,000	-	67,989,000
17	EF10	Fresno	Telecommunications Infrastructure	-	C	18,149,000	-	86,138,000
18	EF11	Fullerton	Telecommunications Infrastructure	-	C	6,724,000	-	92,862,000
19	EF12	Monterey Bay	Telecommunications Infrastructure	-	C	10,988,000	-	103,850,000
20	EF13	San Diego	Telecommunications Infrastructure	-	C	11,248,000	-	115,098,000
21	EF14	San Francisco	Telecommunications Infrastructure	-	C	15,206,000	-	130,304,000
22	EF15	San Jose	Telecommunications Infrastructure	-	C	7,008,000	-	137,312,000
23	EF16	San Marcos	Telecommunications Infrastructure	-	C	1,986,000	-	139,298,000
24	EF17	Sonoma	Renovate Darwin Hall HVAC/Electrical	-	PWC	8,789,000	-	148,087,000
25	EF18	Dominguez Hills	Renovate and Upgrade Electrical Infrastructure	-	PWC	2,855,000	-	150,942,000
26	EF19	San Francisco	Renovate/Expand J.P.L. Library, Ph. I & II (Seismic) ◇	0	P	1,992,000	87,018,000	152,934,000
27	EF20	Los Angeles	Physical Science Replacement Building (Seismic)	0	P	1,546,000	93,055,000	154,480,000
28	NF7	San Marcos	Academic Hall II, Building 13	3,064	PWC	24,505,000	2,311,000	178,985,000
29	NF8	San Luis Obispo	Engineering/Architecture Reno. & Replace., Ph. II	1,069	PWC	51,410,000	23,220,000	230,395,000
30	EF21	Hayward	Business and Technology Building ◇	0	PWC	11,500,000	1,500,000	241,895,000
31	EF23	Chico	Student Services Center	0	P	861,000	37,200,000	242,756,000
32	NF9	Pomona	Library Addition and Renovation	1,068	PWC	33,209,000	28,911,000	275,965,000
33	EF24	Stanislaus	Science II (Seismic)	680	P	922,000	53,281,000	276,887,000
34	EF25	Northridge	Engineering Renovation, Phase II	0	PWC	14,739,000	3,347,000	291,626,000
35	EF26	Humboldt	Forbes PE Complex Renovation and Addition	31	P	751,000	36,514,000	292,377,000
36	EF27	San Bernardino	Science Buildings Renovation/Addition, Phase II	0	PWC	21,690,000	1,480,000	314,067,000
37	NF10	Long Beach	Library Addition and Renovation	0	PWC	18,621,000	449,000	332,688,000
38	EF28	Long Beach	Peterson Hall 2 and 3 Renovation	0	P	1,234,000	54,183,000	333,922,000
39	NF11	Dominguez Hills	Educational Resource Center Addition and Remodel	0	P	919,000	51,195,000	334,841,000
40	NF12	San Bernardino	College of Education and Site Development	1,483	P	858,000	48,842,000	335,699,000
41	NF13	Sacramento	Eureka Hall (Education) Remodel/Addition	332	PWC	13,557,000	581,000	349,256,000
42	EF29	San Jose	Joint Library - Secondary Effect	194	PWC	20,706,000	-	369,962,000
43	EF30	Sacramento	Science II, Phase 2	13	P	669,000	37,449,000	370,631,000
44	EF31	San Luis Obispo	Center for Science & Mathematics	368	P	1,643,000	100,714,000	372,274,000
45	NF14	Chico	Taylor II Renovation/Addition	471	P	689,000	38,216,000	372,963,000
46	NF16	San Diego	Social Sciences/Classroom/Art Gallery/PS-8 ◇	1,968	P	589,000	37,737,000	373,552,000
47	EF32	San Diego	Storm & Nasatir Halls Renovation	-2,172	P	571,000	37,294,000	374,123,000
48	EF33	San Marcos	Craven Hall Renovation, Phase I	0	PWC	5,701,000	510,000	379,824,000
49	EF22	Monterey Bay	Academic Complex Reno. (Bldg. 44A, 45A, 46A)	1,680	PWC	23,853,000	2,900,000	403,677,000
50	NF15	Monterey Bay	Library	117	P	750,000	43,559,000	404,427,000
51	EF34	Humboldt	Behavior and Social Sciences Building **	466	wC	27,000,000	2,166,000	431,427,000
52	EF35	Bakersfield	Engineering and Mathematics Building	869	PWC	29,144,000	5,733,000	460,571,000
53	NF17	Maritime Academy	Land Acquisition	-	A	1,301,000	-	461,872,000
TOTAL				15,868		\$461,872,000	\$829,365,000	

◇ This project is dependent upon state and nonstate funding.

* EF = Existing Facilities/Infrastructure NF = New Facilities/Infrastructure

** Final priority is contingent upon the resolution of pending litigation.

P = Preliminary plans W = Working drawings C = Construction E = Equipment

Nonstate Funded Five-Year Capital Improvement Program 2002/03 through 2006/07

Cost Estimates are at Engineering News-Record California Building Construction Cost Index 4019 and Equipment Price Index 2564
 (Dollars are in thousands)

Summary of Campus Requests by Category

Project	2002/03	2003/04	2004/05	2005/06	2006/07
I. Donor Funding/Grants/Other	102,967	288,649	69,346	73,377	34,036
II. Housing Program	41,074	410,214	285,656	102,355	36,656
III. Parking Program	3,645	110,265	4,183	406	0
IV. Student Union Program	6,300	51,604	53,632	0	13,008
TOTALS	\$1,687,373	\$860,732	\$412,817	\$176,138	\$83,700

Summary of Campus Requests by Capacity

I. FTE Donor/Funding/Grants/Other	2,160	1,162	0	0	0
II. Campus Housing (Beds)	5,000	6,750	970	550	250
For Sale Housing (Units)	200	452	0	0	0
III. Parking Program (Spaces)	1,500	12,090	2,400	0	0

Nonstate Funded Capital Outlay Program 2002/03 Priority List

Cost Estimates are at Engineering News-Record California Building Construction Cost Index 4019 and Equipment Price Index 2564

Trustees' Priority	Campus	Project Title	FTE	Phase	Dollars	Funds to Complete
I. Donor Funding/Grants/Other						
1	Channel Islands	Information Resource Center, Phase I		PWCE	42,849,000	-
2	Channel Islands	Acquisition 75 Acre Parcel		A	0	-
3	Channel Islands	No. Quad Administrative/Faculty Office Renovation		PWCE	2,500,000	-
4	Hayward	Business and Technology Center ?		PWC	12,000,000	1,500,000
5	Los Angeles	Intimate Theater		E	307,000	-
6	Monterey Bay	Science/ Academic Center ?	823	E	1,985,000	-
7	Monterey Bay	Lecture Hall	582	E	1,000,000	-
8	Northridge	Visual and Performing Arts Center		PWC	8,537,000	1,728,000
9	San Bernardino	Coachella Valley Center, Phase II ?	755	PWC	11,067,000	-
10	San Francisco	Sutro Library, Phase I and II ?		P	321,000	10,058,000
11	San Jose	Clark Library Renovation ?		C	2,056,000	-
12	San Luis Obispo	Engineering/Arch. Reno. & Replace. - Phase II		PWC	7,826,000	1,176,000
13	San Luis Obispo	Center for Science and Mathematics		PWC	11,289,000	1,143,000
14	San Marcos	Child Care Center, Phase I		PWCE	1,230,000	-
Subtotals			2,160		\$102,967,000	\$15,605,000
II. Housing Program						
1	Channel Islands	Fac./Staff for Sale Housing, Ph. 1 (200 Units)		PWC	30,000,000	-
2	San Jose	Campus Housing/Retail Village, Ph. I & II (5,000 Beds)		PW	11,074,000	413,926,000
Subtotals			N/A		\$41,074,000	\$413,926,000
III. Parking Program						
1	Bakersfield	Campus East Access Road		PWC	601,000	-
2	Bakersfield	Parking Lot M (450 Spaces)		PWC	850,000	-
3	Bakersfield	Parking Lot N (450 Spaces)		PWC	860,000	-
4	San Marcos	Parking Lot V (600 Spaces)		PWC	1,334,000	-
Subtotals			N/A		\$3,645,000	\$0
IV. Student Union Program						
1	Los Angeles	Remodel University Student Union		PWC	6,300,000	-
Subtotals			N/A		\$6,300,000	\$0
TOTAL			2,160		\$153,986,000	\$429,531,000

? This project is dependent upon state and nonstate funding.
 P = Preliminary plans W = Working drawings C = Construction E = Equipment

BOARD OF TRUSTEES

Approval of Schematic Plans

Presentation By

J. Patrick Drohan
Assistant Vice Chancellor
Capital Planning, Design and Construction

Summary

Schematic plans for three projects will be presented for approval.

1. California State University, Channel Islands—New Science Building Project Architect: BTA Architecture

Background and Scope

California State University, Channel Islands officially opens in Fall 2002 and accepts first time freshman in Fall 2003. The campus has an urgent need for science laboratory facilities. CSUCI could not meet the most basic general education requirements for accreditation without the ability to teach science. The proposed 31,274 gross square foot two-story facility includes eight science labs, sixteen faculty offices, and a 100-seat lecture hall with specialty instructional display tailored for science curriculums. The facility accommodates a teaching capacity of 323 full time equivalent students. This project will be the first phase of a multi-phase future science complex. The design consists of steel frame type 2 construction with plaster finish on exterior walls, mission style two piece red tile roofs, and deep inset windows that match the mission style architecture of the existing campus buildings. The project will result in the demolition of the swimming pool and several small garages. The site for the new science building is consistent with the Board of Trustees' July 2000 approved campus master plan.

Timing (Estimated)

Completion of Preliminary Drawings	October 2001
Completion of Working Drawings	February 2002
Construction Start	April 2002
Occupancy	July 2003

Basic Statistics

Gross Building Area	31,274 square feet
Assignable Building Area	18,847 square feet
Efficiency	60 percent

Cost Estimate—California Construction Cost Index CCCI 4019

Building Cost (\$224 per gross square foot)	\$ 7,002,000
<i>Systems Breakdown (\$ per GSF)</i>	
a. Substructure (Foundation)	\$ 3.02
b. Shell (Structure and Enclosure)	\$ 70.94
c. Interiors (Partitions and Finishes)	\$ 42.68
d. Services (HVAC, Plumbing, Electrical, Fire)	\$107.25
Site Development (Includes Landscaping)	\$ 338,000
Group I Equipment	<u>950,000</u>
Construction Cost	\$ 8,290,000
Fees and Contingency	<u>2,039,000</u>
Total Project Cost (\$330 per gross square foot)	\$10,329,000
Group II Equipment	<u>1,262,000</u>
Grand Total	<u>\$11,591,000</u>

Cost Comparison

The project's building cost of \$224 per GSF is within the CSU Cost Guide for science buildings (\$241.00 per GSF) at CCCI 4019.

Funding Data

Funding for the project includes \$10,000,000 from state funds appropriated in FY 2001/02 and \$329,000 in nonstate funds to be provided by the campus prior to the start of construction. Additional state funds for Group II Equipment (\$1,262,000) will be requested for FY 2002/03.

California Environmental Quality Act Action

Development of this new academic facility was analyzed as part of the Initial Campus Master Plan, which was the subject of a Supplemental Environmental Impact Report (SEIR) prepared in early 2000. The SEIR is supplemental to the Final EIR (FEIR), which was certified by the CSU Board of Trustees in September 1998 and which evaluated the long-term build-out of a university campus on the site and approved a concept Long Range Development Plan. The CSU Board of Trustees certified the FEIR for the concept master plan as a critical milestone in the process established by the trustees prior to their acceptance of the hospital site as a future university campus. The SEIR was prepared to analyze the additional potential significant environmental effects found in an analysis of the initial campus physical master plan and the Specific Reuse Plan. This was required after the FEIR was certified because the level of detail regarding future physical development led to adjustments in the plans. Following the Board of Trustees' adoption of the FEIR, the Site Authority was created and legislatively mandated to develop a Reuse Plan. Consequently, the Site Authority is now the Lead Agency for CEQA compliance for the east campus residential development and was responsible for certification of the SEIR that included changes to the campus physical master plan. The Site Authority took steps to ensure wide public dissemination and input on the SEIR, which was certified at its regular meeting on June 5, 2000.

Action

The following resolution is presented for approval:

RESOLVED, By the Board of Trustees of the California State University, that:

1. The board finds that the Final Supplemental Environmental Impact Report (Final SEIR) for the California State University, Channel Islands, certified by the CSUCI Site Authority, was prepared to include the New Science Building project pursuant to the requirements of the California Environmental Quality Act.
2. The project does not propose substantial changes, which would require revision of the previously certified Campus Master Plan SEIR.
3. The project does not involve any substantial changes in the circumstances under which the Master Plan Program FEIR and Final SEIR were certified.
4. No substantial new information has been identified which shows that the project would have one or more significant effects not discussed in the previous Master Plan Program FEIR and Final SEIR.

5. The Final SEIR was prepared to specifically include the Master Plan for CSUCI physical development and has been considered an important part of the planning process and the deliberations of this board.
6. This board hereby concurs with the findings of fact in Attachment A and related mitigation measures in Attachment B of the June 5, 2000, action of the CSUCI Site Authority which certified the Final SEIR, that the proposed project will reduce most of the potential significant effects on the environment to less than significant.
7. The findings in Attachment A and the related mitigation measures in Attachment B of the June 5, 2000, action of the CSUCI Site Authority which certified the Final SEIR are incorporated by reference and concurred with by this board, including findings of specific overriding considerations which outweigh the identified remaining significant impacts.
8. Air quality, agricultural, historical and biological resource impacts will remain significant and unavoidable for which the CSUCI Site Authority, as Lead Agency, has made the required findings of overriding considerations.
9. No additional mitigation measures are necessary.
10. The project will benefit the California State University in the implementation of its statewide mission to provide postsecondary higher education.
11. The previously approved mitigation measures shall be monitored and reported in accordance with the plan approved by the CSUCI Site Authority as Attachment D of the June 5, 2000, meeting of the Site Authority, which meets the requirements of the California Environmental Quality Act (Public Resources Code, Section 21081.6).
12. The chancellor is requested under Delegation of Authority by the Board of Trustees to file the Notice of Determination for the project.
13. The schematic plans for the California State University, Channel Islands, New Science Building are approved at a project cost of \$11,591,000 at CCCI 4019.

2. Sonoma State University—Recreation Center
Project Architect: Ellerbe Becket, Inc.

Background and Scope

Sonoma State University students voted to raise student union fees to construct a student recreation center in November 2000. The Board of Trustees approved an amendment to the nonstate funded capital outlay program for the project in July 2001. The proposed project is on the campus master plan as part of the university center complex and contains approximately 52,880 gross square feet. It includes a gymnasium, fitness machines and weight training areas, and a testing/wellness center. Two multi-purpose studios will provide space for aerobics and leisure class offerings. Offices for the building managers, recreation sports coordinator and student sports clubs will be included, along with support spaces such as locker rooms, storage, laundry, maintenance and repair. The recreation center will be a two-story steel frame building with an exterior combination of concrete, concrete block, stucco and glass curtain wall. The single entrance will face south to address the relationship with the future building components of the university center and allow for the possibility of a central courtyard between them. Environmentally sustainable architectural design is a priority in the development of this project.

Timing (Estimated)

Completion of Preliminary Drawings	October 2001
Completion of Working Drawings	April 2002
Construction Start	August 2002
Occupancy	November 2003

Basic Statistics

Gross Building Area	52,880 square feet
Assignable Building Area	44,305 square feet
Efficiency	84 percent

Cost Estimate—California Construction Cost Index CCCI 4019

Building Cost (\$186 per gross square foot)	\$9,836,000
<i>Systems Breakdown</i>	<i>(\$ per GSF)</i>
a. Substructure (Foundation)	\$10.16
b. Shell (Structure and Enclosure)	\$72.05
c. Interiors (Partitions and Finishes)	\$26.17

d. Services (HVAC, Plumbing, Electrical, Fire Protect)	\$52.74
e. Equipment and Furnishings	\$ 1.89
f. General Conditions	\$23.00

Site Development (includes landscaping)	<u>485,000</u>
Construction Costs	\$10,321,000
Fees and Contingency	<u>2,743,000</u>
Total Project Cost (\$247 per gross square foot)	\$13,064,000
Group II Equipment	<u>1,050,000</u>
Grand Total	<u>\$14,114,000</u>

Cost Comparison

There are no previously approved similar CSU projects to provide a building cost comparison.

Funding Data

Sonoma State University students approved a referendum to increase student fees for the proposed project. Bonds will be issued through the CSU Board of Trustees to finance construction of the project. A request for approval of financing is being presented to the Committee of Finance at this board meeting.

California Environmental Quality Act Action

The Board of Trustees certified a Final EIR on May 10, 2000 for the Sonoma State University, Campus Master Plan Revision. An Addendum to the Final EIR, including the proposed project, has been prepared and no new significant impacts or mitigation measures have been identified.

Action

The following resolution is presented for approval:

RESOLVED, By the Board of Trustees of the California State University, that:

1. The Board finds that the Addendum to the Final EIR for the Sonoma State University, Campus Master Plan Revision, approved on May 10, 2000, was prepared to include the Recreation Center pursuant to the requirements of the California Environmental Quality Act.

2. Based on the information contained in the approved Final EIR and the mitigation measures identified therein and previously adopted, and the Addendum to the Final EIR, the proposed project will not have new significant effects on the environment and the project will benefit the California State University.
3. The chancellor is requested under Delegation of Authority granted by the Board of Trustees to file the Notice of Determination for the project.
4. The schematic plans for the Sonoma State University, Recreation Center are approved at a project cost of \$14,114,000 at CCCI 4019.

**3. Sonoma State University—Student Housing, Phase I
Project Architect: Fisher Friedman**

Background and Scope

Sonoma State University currently has design capacity of 1,800 student beds with 7,150 full-time equivalent students (FTES) projected for 2003/04. A university commissioned independent market research study indicated that Sonoma's on-campus housing had reached full capacity with an unmet student demand of 1,127 in 2001/02, increasing to 2,360 in 2005/06. The lack of available housing on and off campus impacts the university's ability to reach its projected enrollment. This proposed 655-bed student housing project is the first phase of a future housing complex in the southeast corner of the campus on the approved master plan site. The total complex will accommodate 1,350 students. Phase I contains 161 four-bedroom apartments with private baths, full kitchens, dining and living rooms; one apartment and ten studio apartments. These will be single occupancy bedrooms for a total of 655 beds. Phase I also includes a swimming pool, laundry and retail/student gathering space, 350 parking spaces, and road modifications to the southeastern campus entrance. The apartments will be three-story wood frame buildings with exterior staircases. The proposed project was presented to the CSU Housing Proposal Review Committee on July 11, 2001.

Timing (Estimated)

Completion of Preliminary Drawings	August 2001
Completion of Working Drawings	October 2001
Construction Start	January 2002
Occupancy	August 2003

Basic Statistics

Gross Building Area	211,680 square feet
Assignable Building Area (Housing)	190,018 square feet
Assignable Building Area (Laundry/Retail)	2,500 square feet
Efficiency	91 percent

Cost Estimate—California Construction Cost Index CCCI 4019

Building Cost (\$93 per gross square foot) \$19,620,000

<i>Systems Breakdown</i>	<i>(\$ per GSF)</i>
a. Substructure (Foundation)	\$ 3.65
b. Shell (Structure and Enclosure)	\$23.25
c. Interiors (Partitions and Finishes)	\$26.72
d. Services (HVAC, Plumbing, Electrical, Fire Protect)	\$29.97
e. Equipment and Furnishings	\$.59
f. General Conditions	\$ 8.51

Site Development (includes landscaping and parking) 3,959,000
Pool 213,000

Construction Costs \$23,792,000
Fees and Contingency 7,786,000

Total Project Cost (\$149 per gross square foot) \$31,578,000
Group II Equipment 1,625,000

Grand Total \$33,203,000

Cost Comparison

This project's building cost of \$93 per GSF is less than San Bernardino and San Luis Obispo's housing projects at \$101 and \$103 respectively at CCCI 4019. While Sonoma's housing provides greater amenities with full service kitchens and a private bath per bedroom, the foundation and structural costs are less than San Luis Obispo's hillside construction.

Funding Data

Project financing will be through the issuance of Dormitory Revenue Fund Housing Bonds. A request for approval of financing will be presented to the Board of Trustees at the January 2002 meeting.

California Environmental Quality Act Action

The Board of Trustees certified a Final EIR on May 10, 2000 for the Sonoma State University, Campus Master Plan Revision. An Addendum to the FEIR, including both phases of student housing, has been prepared and no new significant impacts or mitigation measures have been identified.

Action

The following resolution is presented for approval:

RESOLVED, By the Board of Trustees of the California State University, that:

1. The Board finds that the Addendum to the Final EIR for the Sonoma State University, Campus Master Plan Revision, approved on May 10, 2000, was prepared to include the Student Housing, Phase I project pursuant to the requirements of the California Environmental Quality Act.
2. Based on the information contained in the approved Final EIR and the mitigation measures identified therein and previously adopted and the Addendum to the Final EIR, the proposed project will not have new significant effects on the environment and the project will benefit the California State University.
3. The chancellor is requested under Delegation of Authority granted by the Board of Trustees to file the Notice of Determination for the project.
4. The schematic plans for the Sonoma State University, Student Housing, Phase I project are approved at a project cost of \$33,203,000 at CCCI 4019.

BOARD OF TRUSTEES

Acceptance of Gift of Real Property for the Proposed San Diego State University, Imperial Valley Off-Campus Center at Brawley

Presentation By

Richard P. West
Executive Vice Chancellor and
Chief Executive Officer

Stephen L. Weber
President
San Diego State University

Summary

The San Diego State University, Imperial Valley Off-Campus Center at Calexico offers the only local baccalaureate opportunity for residents of southeastern California. Enrollment at the off-campus center has steadily increased due to the growing population and the demand for higher education. To meet this demand, it is proposed that the Board of Trustees accept a gift of 200 acres in the City of Brawley from the Alamitos Land Company. The property, if accepted, would be developed as a remote site of the San Diego State University, Imperial Valley Off-Campus Center and would be established pursuant to the Board of Trustees' policy on off-campus centers.

Imperial County Population Growth

The overall population in Imperial County has grown at an annual rate of 2.7% (33,000 residents) since 1990. Growth of the incorporated cities in the region has been even faster while growth in the unincorporated areas declines. The long-range population is projected to grow 3% annually to over 500,000 residents by 2040, representing an increase of about 4.5 times its 1990 population in the 50-year period.

San Diego State University, Imperial Valley Off-Campus Center (IVC), Calexico

San Diego State University has operated the Imperial Valley Off-Campus Center (8.4-acres) in the City of Calexico since 1959. Calexico is on the U.S. Mexican border adjoining the City of Mexicali on the Mexico side. In contrast to Calexico's population of approximately 29,000, Mexicali has an estimated population of 1,000,000.

The IVC offers the only local access to a four-year college education for county residents. The center's primary purpose is to provide upper division and graduate instruction for students in the region. Consistent demand for higher education in Imperial Valley has caused enrollment at IVC to steadily increase. The campus has averaged a 10% annual enrollment increase from 200 full-time equivalent students (FTES) in 1990 to 609 FTES in 2000. Current enrollment projections indicate this increase in student population will continue and is expected to double between 2000 and 2010. The IVC currently enrolls approximately 900 upper division and graduate/post baccalaureate students in a variety of programs including teacher education. Most instruction at IVC is conducted in the classroom mode. Some distance education courses are received via two-way television from the main campus in San Diego and would be expanded for the proposed Brawley center.

Academic Programs at Imperial Valley Off-Campus Center, Calexico

The IVC offers eleven baccalaureate and five masters programs and course work leading to three teaching credentials as listed below. No new programs are planned with the addition of the proposed Brawley center.

Bachelor of Arts in Liberal Arts and Sciences

Majors in: English, History, International Business (emphasis in Latin America), Latin American Studies, Liberal Studies, Psychology, Social Sciences and Spanish

Bachelor of Science in Liberal Arts and Sciences

Major in Public Administration

Bachelor of Science in Applied Arts and Sciences

Major in Business Administration (emphasis in Agribusiness) and Criminal Justice Administration

Master of Arts in Education

Concentrations in Educational Leadership

Elementary Curriculum and Instruction*

Secondary Curriculum and Instruction*

Master of Public Administration*

Master of Science in Business Administration* (concentration in International Business)

Teaching Credentials

Single subject cross-cultural language and academic development (CLAD)

Multiple subject cross-cultural language and academic development (CLAD)

Multiple subject bilingual cross-cultural language and academic development (B/CLAD), emphasis in Spanish

*Programs that are offered in cooperation with San Diego State University

Physical Development at Imperial Valley Off-Campus Center, Calexico

In 1959, the IVC consisted of two buildings constructed in 1927. In 1983, a library and classroom building were added. In 1995, the old facilities were upgraded and new ones were added including an administration building, a computer center, two faculty office buildings, a physical plant building and an addition to the library. IVC facilities total approximately 92,000 gross square feet.

The Site of the Proposed Imperial Valley Off-Campus Center at Brawley

Alamitos Land Company has offered to give CSU approximately 200 acres of undeveloped land for educational purposes. The property is currently zoned for agriculture and located one mile east of the City of Brawley, contiguous to Highway 78 and within one-half mile of State Route 111. The gift of land would be used for the proposed Brawley center, which would be administered as an integral component of the San Diego State University, Imperial Valley Off-Campus Center at Calexico. Funding for an environmental report and permanent facilities at the site would be sought primarily from sources outside the CSU and San Diego State University. Acceptance of the gift and future development would be subject to compliance with the policies and procedures issued by the chancellor for public/private real estate projects consistent with principles contained in board policy RFIN 05-08-00.

Enrollment Needs Study for Imperial County

The Chancellor's Office Division of Academic Affairs conducted an Enrollment Needs Study in July 2001. The study concluded that implementation of the proposed IVC-Brawley would impact the total IVC-Calexico enrollment in at least two ways. First, IVC-Brawley would increase attendance of first-time freshmen at Imperial Valley Community College due to more local high school graduates attending the college because of substantially improved access to upper division courses leading to a baccalaureate degree at IVC-Brawley. Second, and more importantly, the Brawley center would provide more convenient access for students in the northern and central parts of the county. It is proposed that IVC-Calexico begin enrolling students for an IVC-Brawley opening enrollment of 100-200 FTES in 2002. Because of constraints on physical expansion at IVC-Calexico it is expected that the two sites will enroll approximately the same number of students by 2009.

Brawley Planning Considerations and Projection Assumptions

1. San Diego State University would continue to operate and administer IVC-Calexico and IVC-Brawley as a single institutional entity with two physical locations.
2. For purposes of the July 2001 Enrollment Needs Study, it is assumed that IVC-Brawley will commence operation in Fall 2002 in temporary quarters.

3. The initial temporary facilities will be designed for instructional purposes including areas where faculty can meet with students. There will be no resident faculty assigned to IVC-Brawley. Faculty will initially have regular offices at IVC-Calexico.
4. No new degree programs will be initiated. Agribusiness will be one of the primary programs at IVC-Brawley.
5. Although instruction will be provided at both the Calexico and Brawley sites, all enrollment demand in the Imperial Valley will be treated as a single entity associated with the San Diego State University, Imperial Valley Off-Campus Center at Calexico.

The following table estimates a summary enrollment and FTE projection for the IVC.

IVC Fall Enrollment and Annual FTE Projected through 2010

<u>Year</u>	<u>Transfers</u>	<u>Total undergrad enrollment</u>	<u>New GdPb*</u>	<u>Total GdPb enrollment</u>	<u>Total enrollment</u>	<u>Annual FTE</u>
1990						
1991					471	
1992					535	
1993					568	411
1994					620	438
1995					647	481
1996					665	526
1997					703	550
1998					689	551
1999					835	590
2000	103	525	107	362	887	676
2001	142	537	97	412	949	723
2002	158	586	108	446	1,032	786
2003	174	653	119	463	1,116	850
2004	190	723	130	504	1,227	935
2005	206	793	141	552	1,345	1,025
2006	223	864	153	600	1,464	1,115
2007	231	927	158	643	1,570	1,196
2008	238	977	163	679	1,656	1,262
2009	245	1016	168	705	1,722	1,312
2010	254	1052	173	729	1,782	1,358

*GdPb stands for graduate/post baccalaureate students.

Brawley Long-Range Land-Use Development Plan

Consistent with the mission established for IVC-Calexico, the IVC-Brawley would provide permanent educational facilities similar to those at IVC-Calexico. A long-range Land-Use Development Plan has been developed for the proposed IVC-Brawley, including a phasing plan for initial development. The proposed development would include facilities to support academic functions as well as research institute uses. Physical components may include classrooms and teaching labs, faculty and administrative offices, research buildings for programs such as those related to agriculture and energy, a library, computer building, student center/food service facilities, an auditorium or multi-purpose facility, student housing, recreation fields, a physical plant building, surface parking and other support facilities.

Conclusion

The Board of Trustees' acceptance of the gift of 200-acres from Alamitos Land Company for IVC-Brawley would serve the needs of higher education in Imperial County by accommodating projected student growth in the region.

Action

The following resolution is presented for approval:

WHEREAS, The Board of Trustees of the California State University recognizes the growing need for additional CSU educational services in Imperial County, and

WHEREAS, The San Diego State University, Imperial Valley Off-Campus Center at Calexico has reached its enrollment ceiling, and

WHEREAS, The Board of Trustees has been offered a gift of real property to enhance higher education opportunities in northern Imperial County near the City of Brawley and has entered into a Memorandum of Understanding with the donor to consider options available for serving future education needs; now, therefore, be it

RESOLVED, By the Board of Trustees of the California State University, that the chancellor is hereby authorized, on its behalf, to accept the gift of real property subject to compliance with the policies and procedures issued by the chancellor for public/private real estate projects consistent with principles contained in board policy RFIN 05-08-00.

BOARD OF TRUSTEES

Status Report on the 2002/2003 Support Budget and Recommended Lottery Revenue Budget

Presentation By

Richard P. West
Executive Vice Chancellor
and Chief Financial Officer

Summary

2002/03 Support Budget

This item is being presented to the Board of Trustees at this meeting as an information item and is scheduled for adoption at the special October budget meeting. A draft budget outline has been prepared for discussion with the Executive Council, the System Budget Advisory Committee and other CSU constituencies, which will be used to help establish system budget priorities and form the detailed plan to be discussed at the September board meeting. This draft budget proposal will be developed consistent with the Partnership agreement reached with Governor Davis.

The Board will be provided with handout material for discussion.

2002/03 Lottery Revenue Budget

The recommended 2002/03 Lottery Revenue Budget is also being presented to the Board of Trustees at this meeting as an information item and is scheduled for adoption at the special October budget meeting. The changes from previous budgets are an increase in the beginning balance and an increase in projected lottery receipts and interest payments.

Based on this historical information, we recommend that the budgeted beginning balance be increased from \$5 million to \$10 million in 2002/03. A slight increase in interest is also recommended based on actual interest payments received in the past five years.

Systemwide program funds will continue to be designated for the Forgivable Loan/Doctoral Incentive Program, California Pre-Doctoral Program and CSU Summer Arts. The remaining

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funds will be directed to campus-based programs and allocated directly to the campuses. An increase of \$5.1 million over the current year for campus-based programs is recommended.

In summary, a total of \$47.8 million is the proposed lottery budget for 2002/03. After deducting \$5 million for the systemwide reserve that is used for cash flow and as a hedge against potential downward fluctuations in revenue, \$42.8 million is recommended for programmatic use. Three system-designated programs remain (Forgivable Loan/Doctoral Incentive Program, Pre-Doctoral Program, and Summer Arts) and the rest of the dollars are recommended for campus-based programs.

Term:	Substantially equal payments over 25 years
Estimated all-in TIC rate, At time of bond sale:	5.36%
Projected debt service coverage, first year of operations:	2.53 times
Bond insurance commitment:	To be determined prior to bond sale issuance. Comparable bonds have qualified in the past.
Bond intrinsic rating before bond insurance:	To be determined prior to bond issuance. Comparable bonds are rated A1 by Moody's Rating Services.

The proposed bond sale amount includes a small contingency to accommodate market changes. At the time of bond sale, the bonds sold will be adjusted to meet market conditions, capitalized interest and other issuance costs. It is anticipated that the construction project will cost approximately \$10,762,000. The campus' parking program has provided a balanced financial plan that includes funding part of the project from parking reserves, with repayment of the debt funded from parking system revenue. The proposed bond sale amount contains a contingency for changes in market conditions or for a small construction project cost budget change. The campus financial plan fully supports the repayment of bonds at this not-to-exceed level. However, the sizing of the bond sale will be finalized at or below the not-to-exceed amount at the time of the sale so that only the necessary project and issuance costs and required reserves are funded.

Campus Parking Program

California State University, Sacramento current enrollment is approximately 19,700 full time students and 25,700 total enrollment. The campus' estimated annual growth is 500-700 FTE per year. The campus parking inventory is 10,162 spaces. Analysis provided by the campus Transportation and Parking Division anticipates a shortfall of over 1,200 spaces next year due to enrollment growth and parking spaces lost to campus construction projects. The construction of Parking Structure II will help reduce the shortage of parking on campus.

Proposed Facility

The Parking Structure II project will provide a 3-story post tension concrete facility with a capacity of 1,000 parking spaces. The project site is located southeast of the University Union in an existing surface parking lot. The financing is contingent upon receiving acceptable construction bids, which are expected in late August 2001.

Trustee Resolutions

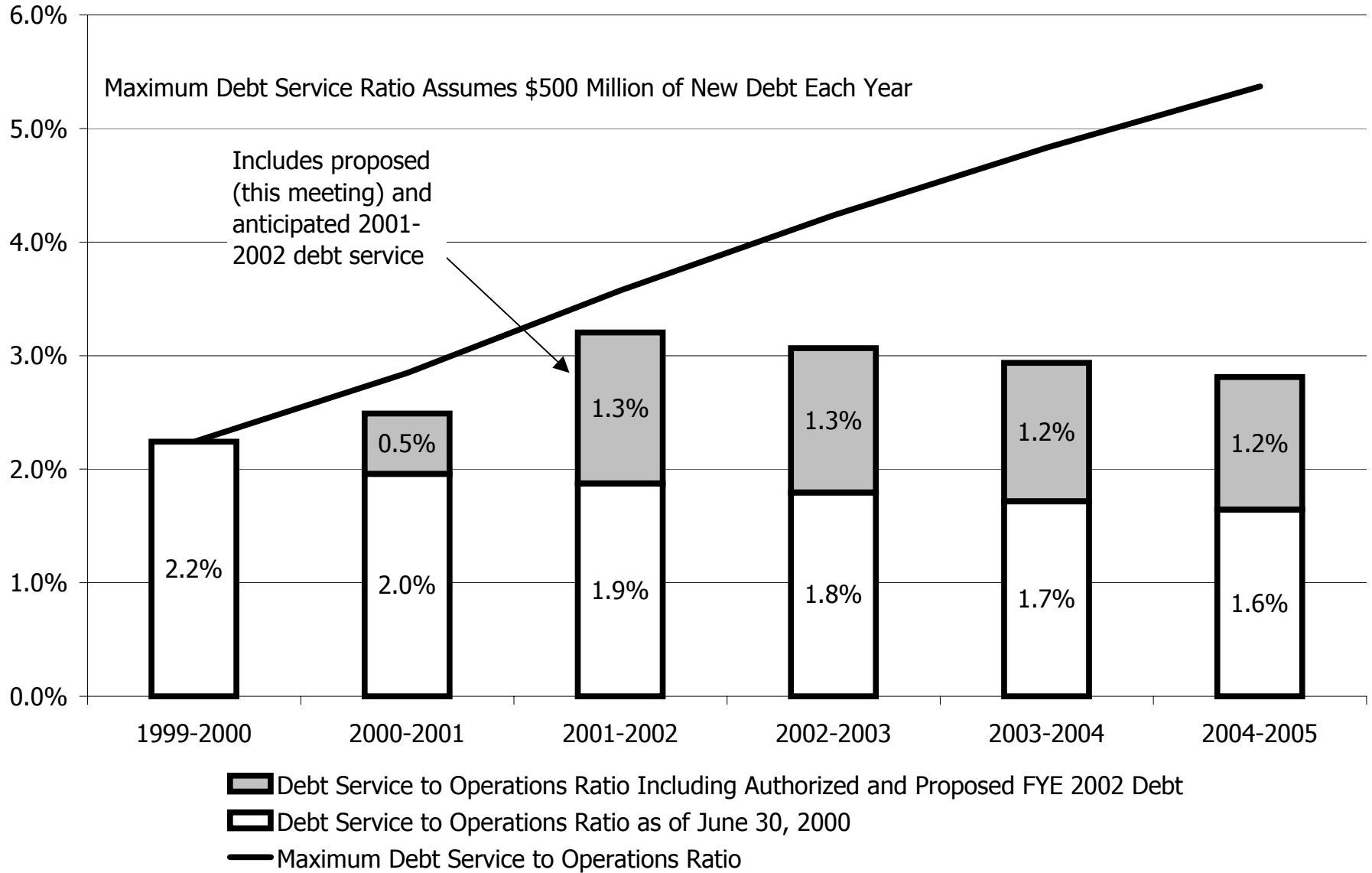
The Board of Trustees is being asked to approve interim financing via bond anticipation notes and commercial paper to finance the project during the construction period. Additionally, the Board is being asked to approve the long-term bonds issued pursuant to a new campus parking program bond indenture to replace the interim debt and permanently finance the project. Orrick, Herrington & Sutcliffe LLP, as bond counsel, is preparing resolutions to be presented at this meeting that authorize interim and permanent financing. The proposed resolutions will be distributed at the meeting and will achieve the following:

- (1) Authorize the sale and issuance of the California State University, Sacramento Bond Anticipation Notes and California State University, Sacramento Parking System Revenue Bonds in an amount not to exceed \$7,005,000 and certain actions relating thereto.
- (2) Provide for a delegation to authorize the chancellor, the executive vice chancellor and chief financial officer, and their designees to take any and all necessary actions to execute documents for the sale and issuance of the bond anticipation notes and the revenue bonds.

Recommended Action

Approval of the resolutions presented at this meeting is recommended.

Planned Debt Service to Unrestricted Operations As of Sept , 2001



Estimated all-in TIC rate, at time of bond sale:	5.66%
Projected debt service coverage, first year of operations:	2.27 times
Bond insurance commitment:	To be determined prior to bond sale issuance. Comparable bonds have qualified in the past.
Bond intrinsic rating before bond insurance:	To be determined prior to bond issuance. Comparable bonds are rated A1 by Moody's Rating Services.

The proposed bond sale amount includes a small contingency to accommodate market changes. At the time of bond sale, the bonds sold will be adjusted to meet market conditions, capitalized interest and other issuance costs. It is anticipated that the construction project will cost approximately \$14,114,000. The campus' student union program has provided a balanced financial plan. Since bond anticipation notes and commercial paper are planned for interim financing during the construction period, it is expected that some additional savings will be achieved and the long-term bond size will be reduced accordingly.

Sonoma Student Union

The Sonoma Student Union Corporation is a non-profit auxiliary organization operating the student union facilities under contract to the Trustees and Sonoma State University. The original student union facility was opened to the campus in 1976. The current student union fee is \$126 per year (\$63 per semester). These fees are used to provide funding for principal and interest payments and the operation of the facility and its programs. Funding for construction of the student union was made possible by the issuance of bonds through the Trustees of the CSU system. These bonds mature in November 2001.

The student union and its programs are the center of student life for the campus. As such, students and staff of the student union began planning for a recreation center nearly a decade ago. Current space and facilities have become severely impacted thereby leading to further planning for a much more comprehensive program and facility. In November of 2000, the students of Sonoma State University voted to raise their student union fees to construct a student recreation center. The financial plan supporting the project assumes a modest increase in enrollment. Revenue projections are based on a 4% increase in enrollment each year. Further, the student union fee increase includes a provision for escalation due to inflation.

Proposed Facility

The Sonoma student union student recreation center project consists of an approximately 52,880 gross square foot facility to be located in the south-central area of the campus directly south of Darwin Hall. The facility is expected to provide areas for: aerobic and weight training, dance/activity studios, basketball courts, in-door soccer, lockers and showers, administrative offices, storage, meeting and conference rooms, and for other recreational activities.

Trustee Resolutions

The Board of Trustees is being asked to approve interim financing via bond anticipation notes and commercial paper to finance the project during the construction period. Additionally, the Board is being asked to approve the long-term bonds issued pursuant a supplemental resolution to replace the interim debt and permanently finance the project. Orrick, Herrington & Sutcliffe LLP, as bond counsel, is preparing resolutions to be presented at this meeting that authorize interim and permanent financing. The proposed resolutions will be distributed at the meeting and will achieve the following:

- (1) Authorize the sale and issuance of the Sonoma State University Student Union Bond Anticipation Notes and the Sonoma State University Student Union Revenue Bonds, Series B, in an amount not to exceed \$16,400,000 and certain actions relating thereto.
- (2) Provide for a delegation to authorize the chancellor, the executive vice chancellor and chief financial officer, and their designees to take any and all necessary actions to execute documents for the sale and issuance of the bond anticipation notes and the revenue bonds.

Recommended Action

Approval of the resolutions presented at this meeting is recommended.

BOARD OF TRUSTEES

Approval to Issue Debt Instruments Including by Bonds of the California State University Housing Revenue Bond System For an Apartment Complex (Phase II) at California State University, San Bernardino and Related Matters

Presentation By

Richard K. Leffingwell
Senior Director
Financing and Treasury

Summary

This item requests the Board of Trustees to authorize the issuance of debt instruments to finance the construction of a student apartment complex (Phase II) at California State University, San Bernardino.

Background

The Board of Trustees is being requested to approve a financing for the planning, construction, and Group II equipment of the Coyote Apartments, Phase II, at California State University, San Bernardino. The campus has developed a comprehensive multi-year financial plan supporting the project. The debt service for the proposed bonds will be paid from revenue generated from campus student housing facilities, which includes existing residence halls with no outstanding indebtedness, and Phase I housing units funded by the issuance of Trustee bonds. Housing revenues from the systemwide dormitory revenue bond program will secure the new debt. The Housing Proposal Review Committee reviewed the housing plan in May 2001, and provided a positive recommendation for the project to the chancellor and the president of the university. In July 2001, the Board approved schematics for the project.

The interim financing for this project will be provided through bond anticipation notes and commercial paper. Permanent financing for the project will be provided through revenue bonds. This financing method will provide the Trustees the opportunity for borrowing at a lower interest cost in the short-term under the commercial paper program. Long-term revenue bonds will be issued at a later time after expected savings from the interim financing have been realized. The following summarizes key information on the proposed long-term housing system revenue bonds:

Not-to-exceed amount:	\$ 18,725,000
Term:	Substantially equal payments over 30 years
Estimated all-in TIC rate:	5.28%
Projected debt service coverage, first year of operations:	1.4 times
Bond insurance commitment:	To be determined prior to bond sale issuance. Comparable bonds have qualified in the past.
Bond intrinsic rating before bond insurance:	To be determined prior to bond issuance. Comparable bonds are rated AA3 by Moody's Rating Services.

The proposed bond sale amount includes a small contingency to accommodate market changes. At the time of bond sale, the bonds sold will be adjusted to meet market conditions, capitalized interest and other issuance costs. It is anticipated that the planning, construction, and Group II equipment will cost approximately \$16,750,000. The proposed financing is consistent with the campus budget for repayment of debt service. Since bond anticipation notes and commercial paper are planned for interim financing during the construction period, it is expected that some additional savings will be achieved and the long-term bond size will be reduced accordingly.

Campus Housing Program

The campus currently has 406 spaces in Serrano Village and 320 spaces in the Coyote Apartments Phase I. Coyote Apartments Phase I was financed through the CSU Housing Revenue Bond Program. The Coyote Apartments Phase II will add an additional 319 spaces to meet the demand for campus housing that has exceeded available spaces for the past two years. A market study performed in 1998 by Ira Fink and Associates, an independent consultant, determined that there is considerable unmet demand for suite and apartment style student housing on the campus. The study used a conservative FTE target of 9,600 for academic year 2001/02 which was exceeded by approximately 1,400 FTE in the current academic year. Enrollment on the main campus in the 2002/03 academic year

is expected to be 12,440 FTES. Existing housing units in Serrano Village and Coyote Apartments Phase I are all leased, and a waiting list has been made.

Proposed Facility

The Coyote Apartment Phase II project consists of one-bedroom/one bath, two-bedroom/two-bath, and four-bedroom/two-bath apartment units. The fully furnished apartments also include areas for living and dining, plus a complete kitchen. The design of the two 2 and 3-story buildings will be compatible with existing campus architecture. The new buildings will be concrete slabs on grade construction, wood frame, exterior stucco with a durable and attractive tile roof. Open plazas, aesthetically pleasing exterior designs, and landscaping will provide a welcoming and attractive village environment. Each of the buildings will have an ADA compliant elevator and accessible units will be distributed throughout all three floors. The financing is contingent upon receiving acceptable construction bids, which are expected in early September 2001.

Trustee Resolutions

The Board of Trustees is being asked to approve interim financing via bond anticipation notes and commercial paper to finance the project during the construction period. Additionally, the Board is being asked to approve the long-term bonds issued pursuant to a supplemental bond resolution to the housing system in order to replace the interim debt and permanently finance the project. Orrick, Herrington & Sutcliffe LLP, as bond counsel, is preparing resolutions to be presented at this meeting that authorize interim and permanent financing. The proposed resolutions will be distributed at the meeting and will achieve the following:

- (1) Authorize the sale and issuance of the California State University Bond Anticipation Notes and California State University Housing System Revenue Bonds in an amount not to exceed \$18,725,000 and certain actions relating thereto.
- (2) Provide for a delegation to authorize the chancellor, the executive vice chancellor and chief financial officer, and their designees to take any and all necessary actions to execute documents for the sale and issuance of the bond anticipation notes and the revenue bonds.

Recommended Action

Approval of the resolutions presented at this meeting is recommended.